

(b) If a permittee or lessee dies, the executor or administrator of the estate shall be recognized as the record title holder of the permit or lease if probate has not been completed; and if probate has been completed, or is not required, the heirs or devisees shall be so recognized, provided that in all cases, the evidence required in paragraph (a) of this section has been filed.

**§ 3502.2-6 Attorneys-in-fact.**

An attorney-in-fact shall submit evidence of his/her authority to act on behalf of the applicant. The applicant shall submit a separate statement as to qualifications and acreage holdings unless the power of attorney specifically authorizes and empowers the attorney-in-fact to make or to execute such statements.

**§ 3502.3 Other parties in interest.**

If the applicant is not the sole party in interest to a permit or lease, he/she shall submit with his/her application the names of all other parties who hold or will hold any interest in the application or in the permit or lease, when issued. All interested parties shall furnish appropriate evidence of their qualifications to hold such permit or lease interest.

**Subpart 3503—Fees, Rentals and Royalties**

**§ 3503.1 Payments.**

**§ 3503.1-1 Form of remittance.**

All remittances shall be by U.S. currency, postal money order or negotiable instrument payable in U.S. currency and shall be made payable to the Department of the Interior—Bureau of Land Management or the Department of the Interior—Minerals Management Service, as appropriate. In the case of payments made to the Service, such payments may also be made by electronic funds transfer.

**§ 3503.1-2 Where remitted.**

(a)(1) All filing fees and all first-year rentals and all bonuses for leases issued under Group 3500 of this title shall be paid to the proper BLM office.

(2) All second-year and subsequent rentals and all other payments for leases shall be paid to the Service.

(b) All royalties on producing leases and all payments under leases in their minimum production period shall be paid to the Service.

(c) All payments paid to the Service shall be sent to: Minerals Management Service, Royalty Management Program/BRASS, Box 5640, Denver, CO 80217.

**§ 3503.2 Production royalties, minimum royalties and overriding royalties.**

**§ 3503.2-1 Production royalty rates.**

Production royalty rates shall be set out in a separate schedule attached to and made a part of all leases and shall be determined on an individual case basis by the authorized officer prior to lease offering. For leases offered competitively, the rates shall be set out in the notice of lease sale. For leases issued noncompetitively, the schedule shall be sent to the prospective lessee for concurrence and signature prior to lease issuance.

**§ 3503.2-2 Minimum production and minimum royalty.**

(a) Each lease issued on or after the effective date of these regulations shall require a minimum annual production or the payment of minimum royalty in lieu of production for any particular lease year, beginning with the sixth lease year. Minimum royalty payments shall be credited to production royalties for that year only.

(b) Leases renewed or readjusted on or after the effective date of these regulations shall require a minimum annual production or the payment of minimum royalty in lieu of production for any particular lease year, beginning with the first full year of the readjusted or renewed lease. Minimum royalty payments shall be credited to production royalties for that year only.

(c) On or after the effective date of these regulations, the rate of the minimum royalty in lieu of production described in paragraphs (a) and (b) of this section shall be \$3 per acre or fraction thereof per year, payable in advance.